

Central Intelligence Agency



Washington, D.C. 20505

OLL 84-3880/1

The Honorable David A. Stockman
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Stockman:

This is in response to your request for the views of the Director of Central Intelligence on Enrolled Bill H.R. 5399, the "Intelligence Authorization Act for Fiscal Year 1985." I recommend Presidential approval of this legislation.

The provisions of this legislation which authorize appropriations for funds for the conduct of intelligence and intelligence-related activities represent the joint efforts of the House and Senate Intelligence and Armed Services Committees and the departments and agencies of the Intelligence Community to assure proper funding for such activities. This spirit of cooperation between the Executive and Legislative branches has been critical in our efforts to revitalize the Intelligence Community. The authorizations of appropriations of funds for fiscal year 1985 contained in the Bill are generally in accordance with the proposals provided to Congress in the President's program.

In addition to authorizing appropriations, the Bill provides new authorities for the Central Intelligence Agency (CIA) and the Defense Intelligence Agency (DIA). With respect to CIA, the Bill provides authority for CIA personnel to perform at CIA facilities the functions currently performed by GSA special policemen. In addition, the Bill eliminates a possibly unconstitutional approval requirement of regulations implementing the Central Intelligence Agency Retirement and Disability System (CIARDS) by the leadership of the House and Senate Armed Services Committees, and instead requires in lieu thereof only that the Agency report these regulations to the two Intelligence Committees. The Bill also provides DIA with improved personnel management authorities which exempt DIA from civil service classification provisions, authorize compensation for DIA civilian personnel, and provide DIA with special personnel termination authority.

The Bill also contains a provision relating to the number, status and privileges of foreign diplomats in the United States whose government engages within the United States in intelligence activities harmful to the national security of this country. The Agency does not object to this "sense of the Congress" provision since it deletes the earlier mandatory requirement that the numbers and privileges of embassy and consular personnel from such countries not exceed the number and privileges of similar United States personnel in such countries, and instead simply requires a report to Congress informing it on the dynamics of this problem. Finally, the Bill preserves the authorization of appropriations in support of military or paramilitary operations in Nicaragua, but provides that no funds authorized to be appropriated by this Bill or by the fiscal year 1984 Intelligence Act may be obligated or expended for this purpose except to the extent permitted by House Joint Resolution 648. I believe that this provision unduly restricts the ability of this Government to support the democratic resistance forces in Nicaragua, and unnecessarily removes for at least five months the most effective instrument of pressure available to moderate Sandinista behavior.

Despite my objection to this provision, I believe on the whole that this legislation represents a positive step towards fulfilling our commitment to enhance our Nation's intelligence capability. I thus recommend approval of this legislation and have enclosed a brief statement for the President's use in signing H.R. 5399.

Sincerely,

/s/ William J. Casey

William J. Casey
Director of Central Intelligence

Enclosure

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